



EnCana Oil & Gas (USA) Inc.

370 17th Street
Suite 1700
Denver, CO 80202

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fax: (303) 623-2400
www.encana.com

May 20, 2010

Town of Frederick
Attn: Jennifer Simons
401 Locust Street
P O Box 435
Frederick, CO 80530

RE: Waiver of Rule 318A.a(1) Designated Drilling Window

<u>WELL NAME:</u>	<u>SURFACE LOCATION</u>	<u>BOTTOM HOLE LOCATION</u>
EAST RINN 24-15	2342' FSL & 2430' FWL	510' FSL & 2130' FWL
EAST RINN 2-8-15	2352' FSL & 229' FWL	50' FSL & 1270' FWL
EAST RINN 3-6-15	2362' FSL & 2428' FWL	1250' FSL & 1750' FWL
EAST RINN 13-15	2372' FSL & 2427' FWL	1980' FSL & 660' FWL
EAST RINN 2-4-15	2392' FSL & 2424' FWL	2640' FSL & 1400' FWL
EAST RINN 0-4-15	2382' FSL & 2425' FWL	2607' FSL & 50' FWL

Location: NE/4SW/4 Section 15, T2N, R68W
Weld County, Colorado

Ladies and Gentlemen:

EnCana Oil & Gas (USA) Inc. ("EnCana") has staked six (6) wells from the existing East Rinn 23-15 well site located in the NE/4SW/4 of Section 15, Township 2 North, Range 68 West (see attached survey plats). These wells are being drilled under the rules and regulations of the Colorado Oil and Gas Conservation Commission's ("COGCC") Rule 318A, known as the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule.

This rule states that all boundary infill wells be drilled from the same surface locations as previously designated in Rule 318A.a(1). Rule 318A.a(1) requires a well location to be within a square with sides four hundred (400) feet in length, the center of which is the center of any governmental quarter-quarter section.

The above six (6) East Rinn wells are staked at a location 291' northeast of the defined 400' window. As this location is in accordance with the terms of a Surface Agreement dated May 2001 which designated the oil and gas operations area to be outside this window; EnCana has staked the wells with your consent and approval and respectfully requests your consent to an exception location for the six (6) East Rinn Wells by waiver of the COGCC Rule 318A.a(1).

If this meets with your approval, please sign and date both originals of this letter, keeping one for your files and returning one to the undersigned.

Thank you for your time and consideration in this matter. If you have any questions or comments, please call me at (720) 876-3440.

Very truly yours,

ENCANA OIL & GAS (USA) INC.

Sheila A. Frazier
Sheila A. Frazier, CPL
Land Negotiator

THE UNDERSIGNED SURFACE OWNER HEREBY WAIVES RULE 318A.A(1) AS IT APPLIES TO THE SURFACE LOCATION OF THE FOLLOWING SIX (6) EAST RINN WELLS REFERRED TO AS:

<u>WELL NAME:</u>	<u>SURFACE LOCATION</u>	<u>BOTTOM HOLE LOCATION</u>
EAST RINN 24-15	2342' FSL & 2430' FWL	510' FSL & 2130' FWL
EAST RINN 2-8-15	2352' FSL & 229' FWL	50' FSL & 1270' FWL
EAST RINN 3-6-15	2362' FSL & 2428' FWL	1250' FSL & 1750' FWL
EAST RINN 13-15	2372' FSL & 2427' FWL	1980' FSL & 660' FWL
EAST RINN 2-4-15	2392' FSL & 2424' FWL	2640' FSL & 1400' FWL
EAST RINN 0-4-15	2382' FSL & 2425' FWL	2607' FSL & 50' FWL

AND APPROVES THE SURFACE LOCATION OF SAID WELLS AS DESCRIBED ABOVE WHICH ARE LOCATED OUTSIDE OF THE DESIGNATED DRILLING WINDOW IN THE SW/4 OF SECTION 15, TOWNSHIP 2 NORTH, RANGE 68 WEST, WELD COUNTY, COLORADO.

TOWN OF FREDERICK

by _____

Title: _____

ENCANA

EnCana Oil & Gas (USA) Inc.

Location Drawing



Legend:

- denotes gas sign
- ⊗ — power pole
- ⋈ — gas valve
- ⊠ — electric transformer

Frederick Land Surveying, Inc.

6760 North Franklin Avenue
 Loveland, Colorado 80538
 (970) 669-2100 — Fax (970) 669-3725



Well Site East Rinn

24-15, 2-8-15, 3-6-15,
 13-15, 2-4-15, 0-4-15

IMPROVEMENTS EXTENDING 400'
 FROM 400' PAD SITE

Township 2 North, Range 68 West,
 Section 15: NE1SW1

Town of Frederick, Weld County, Colorado

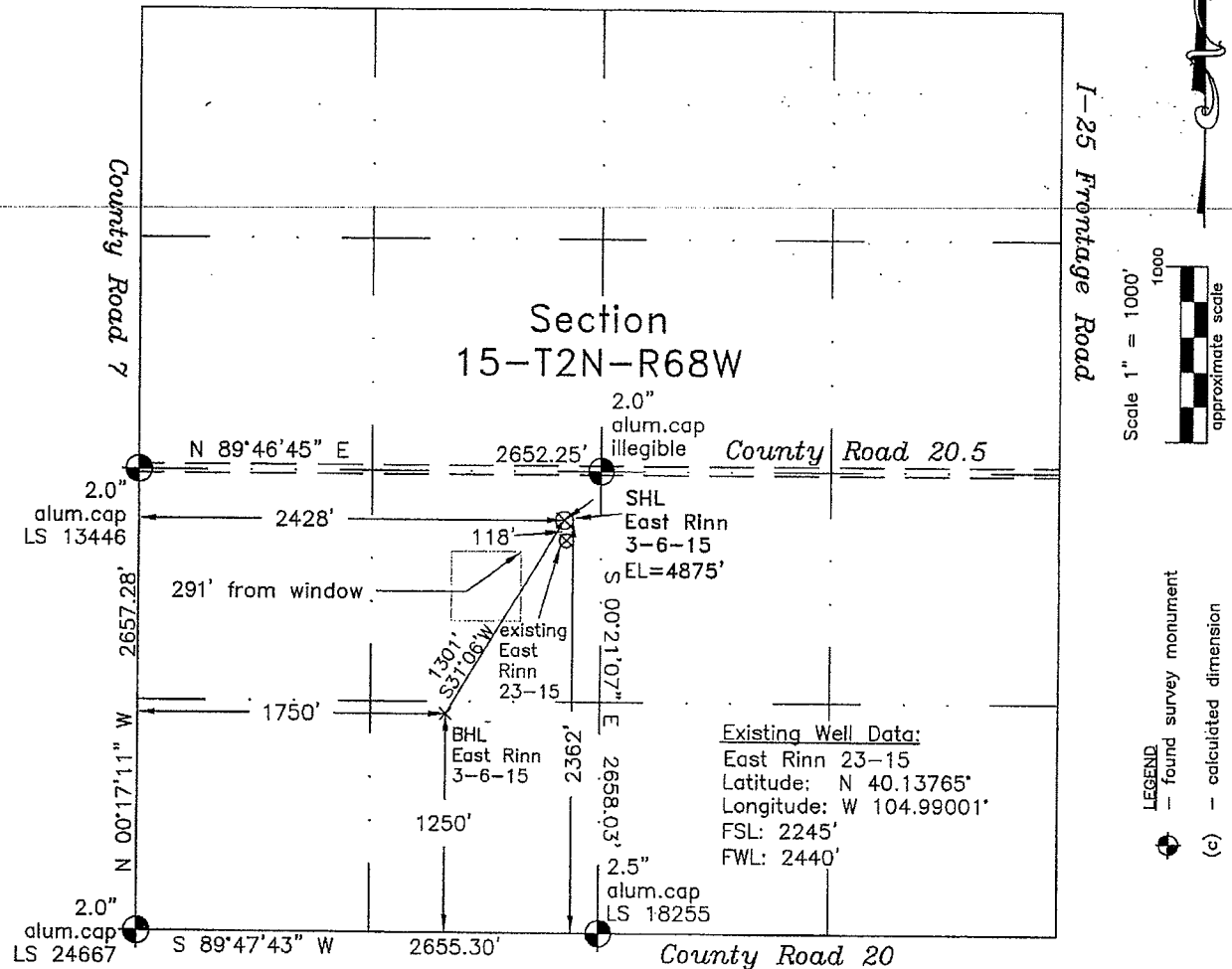
Scale: 1"=200'

March 3, 2010

Project#: 10001.005

WELL LOCATION CERTIFICATE

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY



In accordance with a request from Dave Bale of EnCana Oil & Gas (USA) Inc., Frederick Land Surveying, Inc. has determined the location of the **East Rinn 3-6-15** well site to be SHL: 2362' FSL and 2428' FWL, (BHL 1250' FSL and 1750' FWL), as measured at ninety (90) degrees from the section lines of Section 15, Township 2 North, Range 68 West of the 6th Principal Meridian, Town of Frederick, Weld County Colorado.

Proposed Surface Hole Data:

Latitude: N 40.13797° BHL(40.13492°)

Longitude: W 104.99005° BHL(104.99248°)

Nearest: Building 367 (occupied) southwest

Above Ground Utility 330' northeast

Property Line 165' east

Railroad 15,400' northwest

Public Road 282' north

PDOP: 2.3

Notes:

- 1) Bearings and distances based on NAD 83 Colorado North State Plane Coordinates using RTK GPS observations taken 1/22/10 by operator Craig Burke.
- 2) Conversion factor to ground (1.000274028).
- 3) Elevations based on NAVD 88 GPS heights and Geoid 2003 corrections.
- 4) See improvement map for visible improvements within 400 feet.
- 5) The location falls on residential land.

NOTICE: According to Colorado law you must commence any legal action based upon any defect in this W.L.C. within three years after you first discover such defect. In no event may any action based upon any defect in this W.L.C. be commenced more than ten years from this said date of the certification shown hereon.

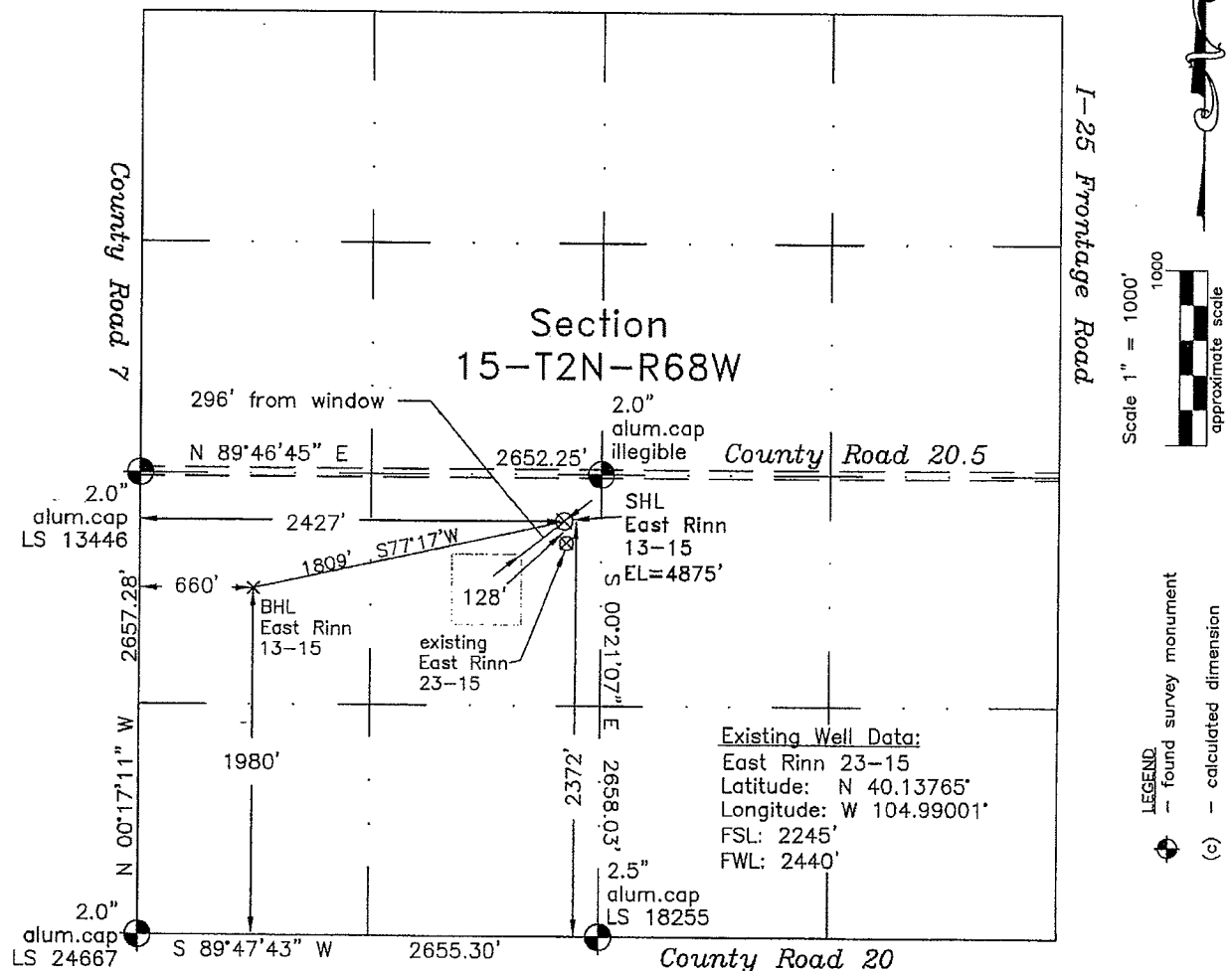
I hereby certify that this Well Location Certificate was prepared by me or under my direct supervision on 01/25/10 for and on behalf of EnCana Oil & Gas (USA) Inc. and that it is not a Land Survey or an Improvement Survey and that it is not to be relied upon for establishment of fences, buildings, or other future improvement lines.

Alex Rondal, Registered Professional Surveyor #34176

Job #: 10001.007 3-3-2010

WELL LOCATION CERTIFICATE

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY



In accordance with a request from Dave Bale of EnCana Oil & Gas (USA) Inc., Frederick Land Surveying, Inc. has determined the location of the **East Rinn 13-15** well site to be SHL: 2372' FSL and 2427' FWL, (BHL 1980' FSL and 660' FWL), as measured at ninety (90) degrees from the section lines of Section 15, Township 2 North, Range 68 West of the 6th Principal Meridian, Town of Frederick, Weld County Colorado.

Proposed Surface Hole Data:

Latitude: N 40.13799° BHL(40.13693°)

Longitude: W 104.99006° BHL(104.99638°)

Nearest: Building 375'(occupied) southwest

Above Ground Utility 322' northeast

Property Line 166' east

Railroad 15,400' northwest

Public Road 273' north

PDOP: 1.3

Notes:

- 1) Bearings and distances based on NAD 83 Colorado North State Plane Coordinates using RTK GPS observations taken 1/22/10 by operator Craig Burke.
- 2) Conversion factor to ground (1.000274028).
- 3) Elevations based on NAVD 88 GPS heights and Geoid 2003 corrections.
- 4) See improvement map for visible improvements within 400 feet.
- 5) The location falls on residential land.

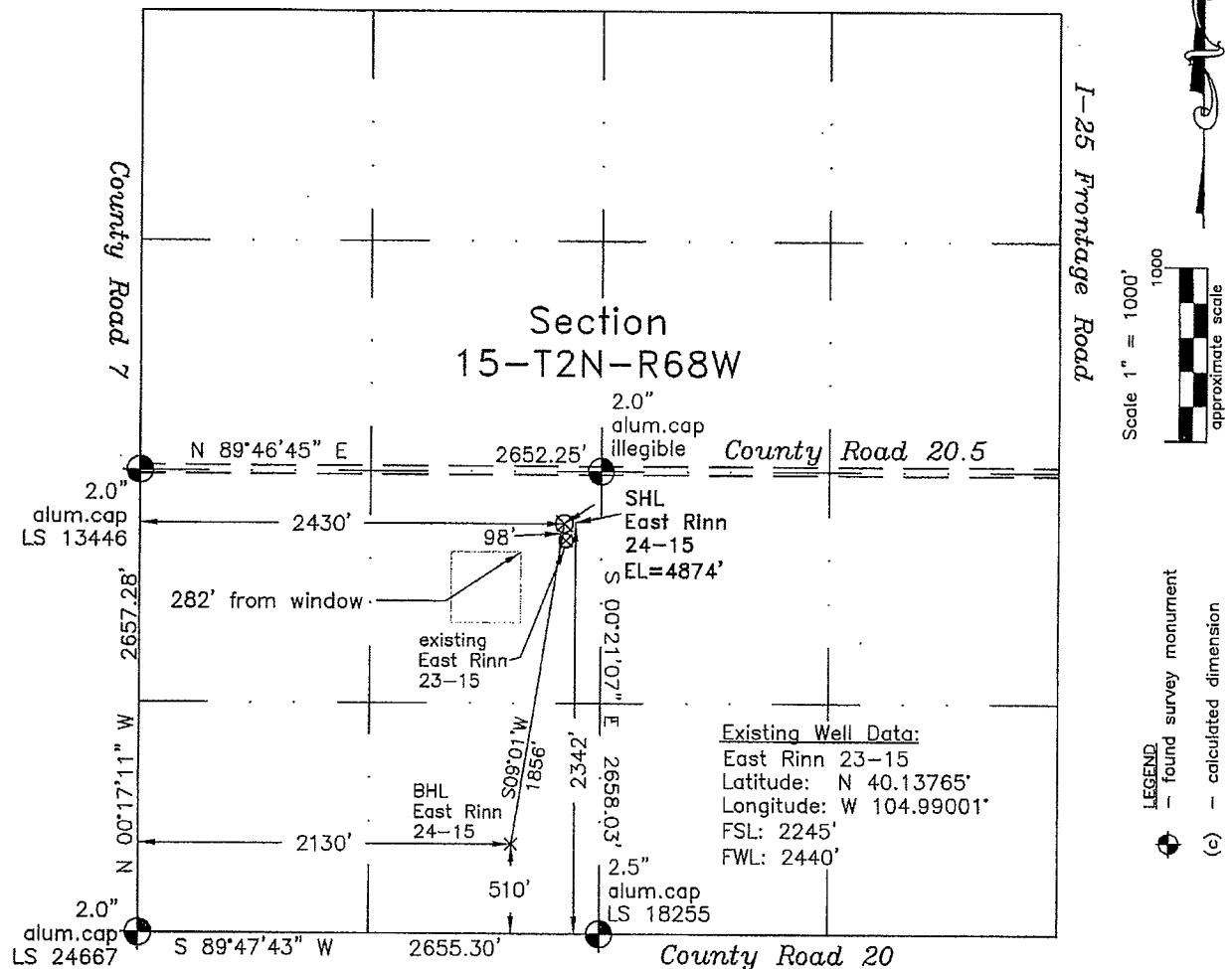
NOTICE: According to Colorado law you must commence any legal action based upon any defect in this W.L.C. within three years after you first discover such defect. In no event may any action based upon any defect in this W.L.C. be commenced more than ten years from this said date of the certification shown hereon.

I hereby certify that this Well Location Certificate was prepared by me or under my direct supervision on 1/25/10 for and on behalf of EnCana Oil & Gas (USA) Inc. and that it is not a Land Survey or an Improvement Survey and that it is not to be relied upon for establishment of fences, buildings, or other future improvement lines.

Alex Rondal, Perkins LS#34176
Job #: 10001.003 7-3-2010

WELL LOCATION CERTIFICATE

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY



In accordance with a request from Dave Bale of EnCana Oil & Gas (USA) Inc., Frederick Land Surveying, Inc. has determined the location of the **East Rinn 24-15** well site to be SHL: 2342 FSL and 2430' FWL, (BHL 510' FSL and 2130' FWL), as measured at ninety (90) degrees from the section lines of Section 15, Township 2 North, Range 68 West of the 6th Principal Meridian, Town of Frederick, Weld County Colorado.

Proposed Surface Hole Data:

Latitude: N 40.13791° BHL(40.13289°)

Longitude: W 104.99004° BHL(104.99112°)

Nearest: Building 351'(occupied) southwest

Above Ground Utility 344' northeast

Property Line 163' east

Railroad 15,400' northwest

Public Road 302' north

PDOP: 2.4

Notes:

- 1) Bearings and distances based on NAD 83 Colorado North State Plane Coordinates using RTK GPS observations taken 1/22/10 by operator Craig Burke.
- 2) Conversion factor to ground (1.000274028).
- 3) Elevations based on NAVD 88 GPS heights and Geoid 2003 corrections.
- 4) See improvement map for visible improvements within 400 feet.
- 5) The location falls on residential land.

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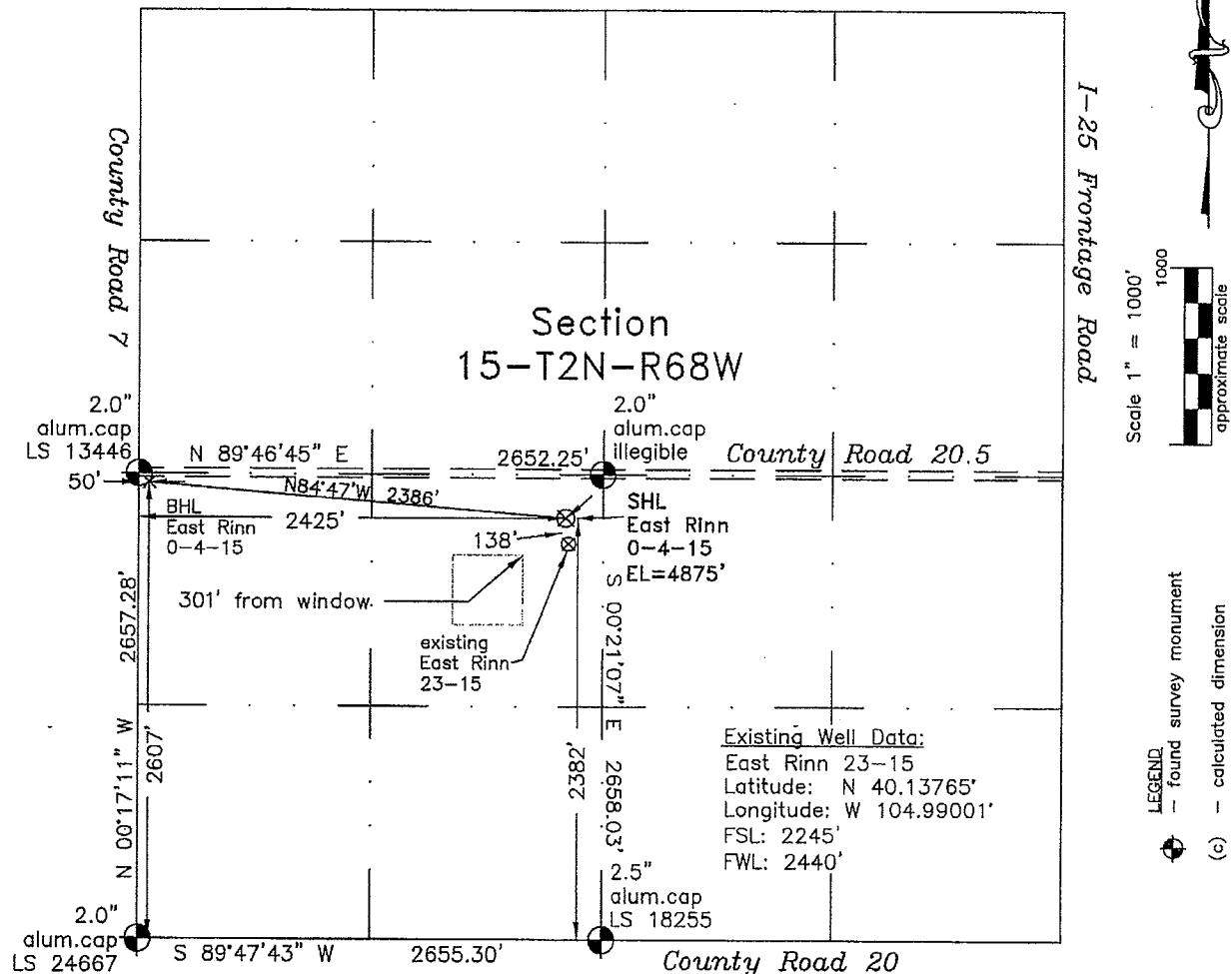
I hereby certify that this Well Location Certificate was prepared by me or under my direct supervision on 3/3/10 for and on behalf of EnCana Oil & Gas (USA) Inc. that it is a Land Survey and that it is not to be relied upon for establishment of fences, buildings, or other future improvement lines.

Alex Rondal, Surveyor #34176

Job #: 10001.004 3-3-2010

WELL LOCATION CERTIFICATE

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY



In accordance with a request from Dave Bale of EnCana Oil & Gas (USA) Inc., Frederick Land Surveying, Inc. has determined the location of the **East Rinn 0-4-15** well site to be SHL: 2382' FSL and 2425' FWL, (BHL 2607' FSL and 50' FWL), as measured at ninety (90) degrees from the section lines of Section 15, Township 2 North, Range 68 West of the 6th Principal Meridian, Town of Frederick, Weld County Colorado.

Proposed Surface Hole Data:

Latitude: N 40.13802° BHL(40.13865°)

Longitude: W 104.99006° BHL(104.99856°)

Nearest: Building 381'(occupied) southwest

Above Ground Utility 316' northeast

Property Line 167' east

Railroad 15,400' northwest

Public Road 263' north

PDOP: 0.3

Notes:

- 1) Bearings and distances based on NAD 83 Colorado North State Plane Coordinates using RTK GPS observations taken 1/22/10 by operator Craig Burke.
- 2) Conversion factor to ground (1.000274028).
- 3) Elevations based on NAVD 88 GPS heights and Geoid 2003 corrections.
- 4) See improvement map for visible improvements within 400 feet.
- 5) The location falls on residential land.

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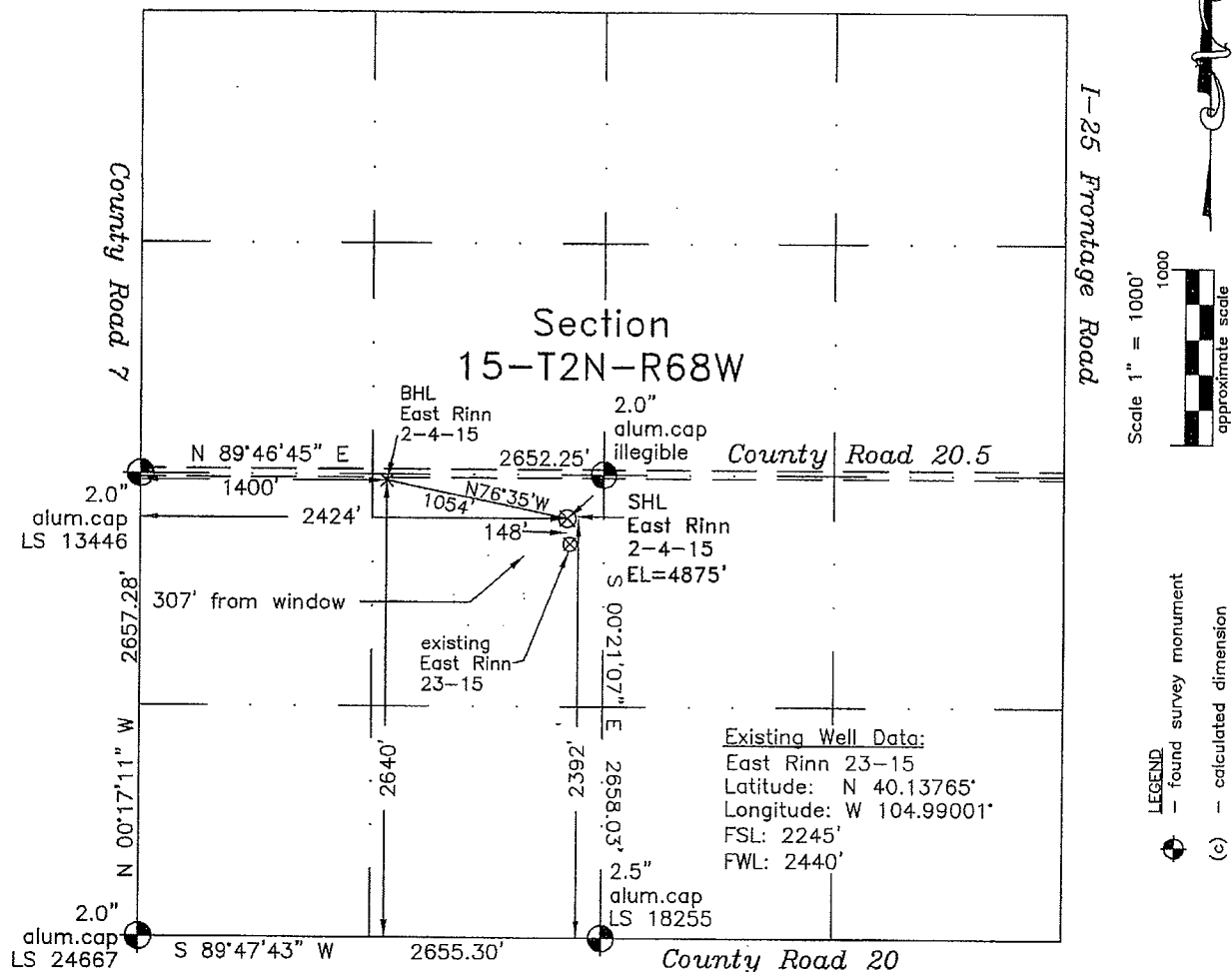
I hereby certify that this Well Location Certificate was prepared by me or under my direct supervision on 1/25/10 for and on behalf of EnCana Oil & Gas (USA) Inc. that it is a true and correct copy of the original Survey Plot and that it is not to be relied upon for establishment of fences, buildings, or other future improvement lines.

Alex Ronald, Surveyor #34176

Job #: 10001.006 3-3-2010

WELL LOCATION CERTIFICATE

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY



In accordance with a request from Dave Bale of EnCana Oil & Gas (USA) Inc., Frederick Land Surveying, Inc. has determined the location of the **East Rinn 2-4-15** well site to be SHL: 2392' FSL and 2424' FWL, (BHL 2640' FSL and 1400' FWL), as measured at ninety (90) degrees from the section lines of Section 15, Township 2 North, Range 68 West of the 6th Principal Meridian, Town of Frederick, Weld County Colorado.

Proposed Surface Hole Data:

Latitude: N 40.13805° BHL(40.13874°)

Longitude: W 104.99006° BHL(104.99373°)

Nearest: Building 384'(occupied) southwest

Above Ground Utility 309' northeast

Property Line 168' east

Railroad 15,400' northwest

Public Road 253' north

PDOP: 1.3

Notes:

- 1) Bearings and distances based on NAD 83 Colorado North State Plane Coordinates using RTK GPS observations taken 1/22/10 by operator Craig Burke.
- 2) Conversion factor to ground (1.000274028).
- 3) Elevations based on NAVD 88 GPS heights and Geoid 2003 corrections.
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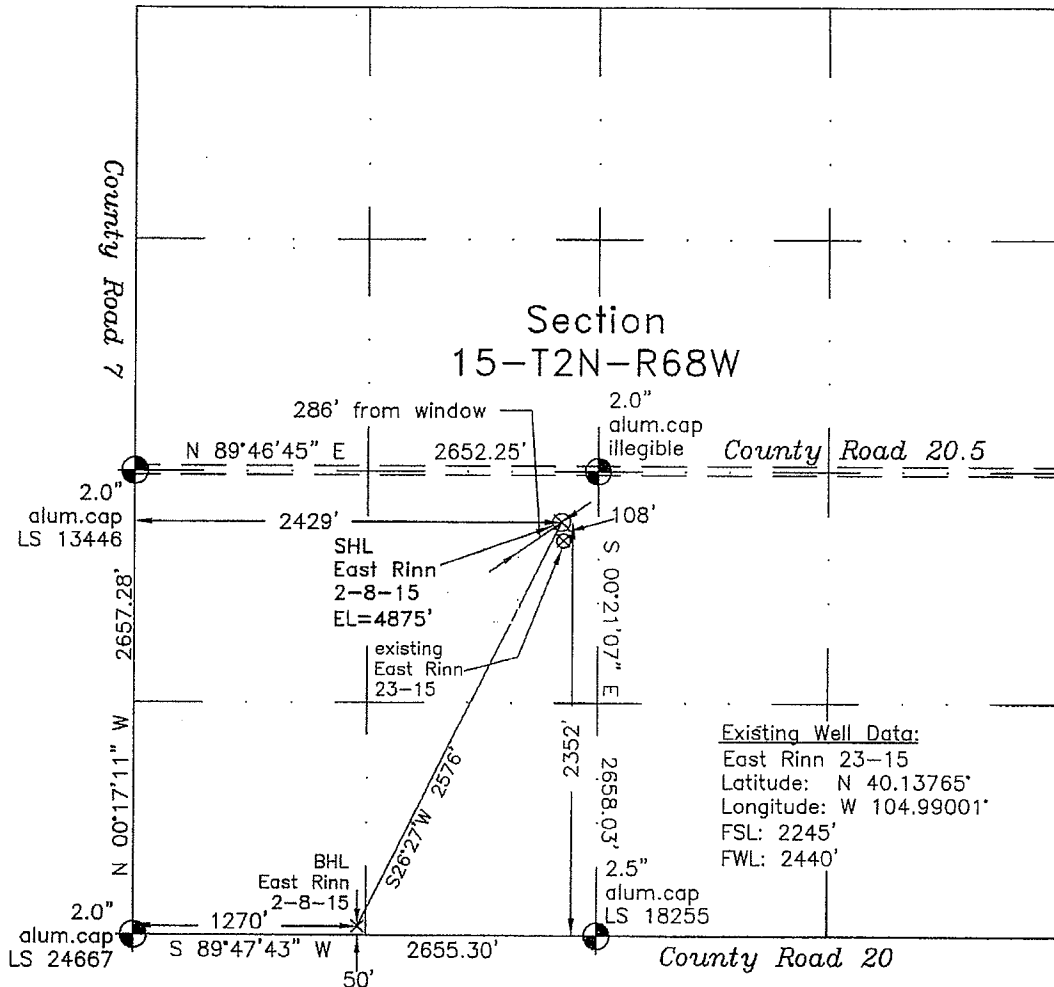
I hereby certify that this Well Location Certificate was prepared by me or under my direct supervision on 1/25/10 for and on behalf of EnCana Oil & Gas (USA) Inc. and that it is a true and correct copy of the original Survey Plat and that it is not to be relied upon for establishment of fences, buildings, or other future improvement lines.

Alex Ronald, Surveyor #34176

Job #: 10001.002 3-3-2010

WELL LOCATION CERTIFICATE

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY



Scale 1" = 1000'
1000'
approximate scale

LEGEND
— found survey monument
— calculated dimension
● (c)

In accordance with a request from Dave Bale of EnCana Oil & Gas (USA) Inc., Frederick Land Surveying, Inc. has determined the location of the **East Rinn 2-8-15** well site to be SHL: 2352' FSL and 2429' FWL, (BHL 50' FSL and 1270' FWL), as measured at ninety (90) degrees from the section lines of Section 15, Township 2 North, Range 68 West of the 6th Principal Meridian, Town of Frederick, Weld County Colorado.

Proposed Surface Hole Data:

Latitude: N 40.13794° BHL(40.13163°)

Longitude: W 104.99005° BHL(104.99420°)

Nearest: Building 359'(occupied) southwest

Above Ground Utility 337' northeast

Property Line 164' east

Railroad 15,400' northwest

Public Road 292' north

PDOP: 2.4

Notes:

- 1) Bearings and distances based on NAD 83 Colorado North State Plane Coordinates using RTK GPS observations taken 1/22/10 by operator Craig Burke.
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I hereby certify that this Well Location Certificate was prepared by me or under my direct supervision on 1/26/10 for and on behalf of EnCana Oil & Gas (USA) Inc. and that it is not a Land Survey or an Improvement Survey and that it is not to be relied upon for establishment of fences, buildings, or other future improvement lines.

Alex Rondal Perkins #34176

Job #: 10001.001 3-3-2010